

BUDGET SITUATION



Senate Ways and Means Committee

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<http://www1.leg.wa.gov/Senate/Committees/WM/>

Under the existing budget, the balance sheet shows that there would be almost \$1.5 billion in reserve at the end of this biennium and almost \$1.7 billion next biennium.

	<u>2005-07</u>	<u>2007-09</u>
Beginning Balance	\$853	\$1,452
Revenue	26,552	28,820
Basic Expenditures	<u>(25,953)</u>	<u>(28,610)</u>
Ending Balance	\$1,452	\$1,662

Passing a “must do,” maintenance level only supplemental would leave a \$931 million balance by the end of the next biennium.

	2005-07 Biennium	2007-09 Biennium
Basic Expenditures	25,953	28,610
Governor's Maintenance	280	451
 Total Expenditures	 26,233	 29,061
 Ending Balance	 \$1,172	 \$931

However, adding typical policy items such as Higher Ed enrollments and COLAs for employees would cost \$606 million and reduce reserves to only \$325 million.

	2005-07 Biennium	2007-09 Biennium
Basic Expenditures	25,953	28,610
Governor's Maintenance	280	451
Usual Policy Items		606
Total Expenditures	26,233	29,667
Ending Balance	\$1,172	\$325

Finally, under current revenue projections, adding the Governor's spending plan would leave a deficit for the 2007-09 biennium.

	2005-07 Biennium	2007-09 Biennium
Basic Expenditures	25,953	28,610
Governor's Maintenance	280	451
Usual Policy Items		606
Governor's Policy Items	268	305
Total Expenditures	26,501	29,972
Ending Balance	\$ 904	\$ (248)